

**AT A REGULAR MEETING OF THE MONTGOMERY COUNTY PUBLIC SERVICE
AUTHORITY, HELD ON THE 2ND DAY OF NOVEMBER 2009, 7:00 P.M., COUNTY
ADMINISTRATION CONFERENCE ROOM, MONTGOMERY COUNTY GOVERNMENT
CENTER, CHRISTIANSBURG, VIRGINIA:**

PRESENT:	Gary Creed	-Chair
	James Politis	-Vice Chair
	Mary Biggs	-Secretary-Treasurer
	Annette Perkins	-Member
	John Muffo	-Member
	William Brown	-Member
	Doug Marrs	-Member
	Robert C. Fronk	-PSA Director
	Linda Pendleton	-Secretary to Board
	Craig Meadows	-County Administrator
	Marty McMahon	-County Attorney
	Malvin Wells	-Planning Commission

CALL TO ORDER

Chair Creed called the meeting to order and determined that a quorum was present.

PUBLIC ADDRESS SESSION

Howard Linkous, 871 Merrimac Road, addressed the Board requesting a new account be established in his name that was previously occupied by his brother. His brother moved and left an outstanding balance, and he was informed that before he could have the account transferred, the balance would have to be paid. He is requesting that the Board allow him to have the account transferred to his name since his brother is paying the outstanding balance in monthly payments.

CONSENT AGENDA

On a motion by William Brown, seconded by Mary Biggs, and carried; IT WAS RESOLVED, that the Public Service Authority hereby approves the Consent Agenda, dated November 2, 2009.

The roll call vote on the foregoing motion is as follows:

John Muffo	-Yes
James Politis	-Yes
Annette Perkins	-Yes
William Brown	-Yes
Doug Marrs	-Yes
Mary Biggs	-Yes
Gary Creed	-Yes

**APPROVAL OF MINUTES
DATED SEPTEMBER 8, 2009**

On a motion by William Brown, seconded by Mary Biggs, and carried; IT WAS RESOVLED, that the Public Service Authority hereby approves the minutes dated September 8, 2009.

The vote on the foregoing motion is as follows:

John Muffo	-Yes
James Politis	-Yes
Annette Perkins	-Yes
William Brown	-Yes
Doug Marrs	-Yes
Mary Biggs	-Yes
Gary Creed	-Yes

**R-09-11-1
RESOLUTION ACCEPTING
WALNUT CREEK, PHASE III, "THE PRESERVE"
EASEMENT AND CHATTEL DEED**

On a motion by William Brown, seconded by Mary Biggs, and carried; IT WAS RESOLVED, by the Board of Directors of the Montgomery County Public Service Authority, that the Board of Directors hereby agrees to accept the Deed of Public Sewer Easement and Chattel Deed for Walnut Creek, Phase III, "The Preserve" sanitary sewer from various parties, conveying additional public sewer easement areas as needed to encompass the public sewer construction outside of or without adequate offset from the public utility easements provided by the original subdivision plat. The Deed of Easement is within the Shawsville Magisterial District and identified below:

1) Pubic Sewer Easement

<u>Tax Parcel No.</u>	<u>Owner</u>
80-(A)-40 & 80-(A)-42	Blue Ridge Development Group, Inc.

A copy of the Deed of Easement is hereby attached and made part of this Resolution by reference.

The Chattel Deed provides fee simple transfer of the constructed public sewer to the Montgomery County Public Service Authority. The Chattel Deed is hereby attached and made part of the Resolution by reference.

BE IT FURTHER RESOLVED, that the Chair of the Montgomery County Public Service Authority is hereby authorized to sign the above referenced Deed of Easement and Chattel Deed for the purpose of acknowledging acceptance of the Deed on behalf of the Board of Directors of the Montgomery County Public Service Authority.

The vote on the foregoing motion is as follows:

John Muffo	-Yes
James Politis	-Yes
Annette Perkins	-Yes
William Brown	-Yes
Doug Marrs	-Yes

Mary Biggs -Yes
Gary Creed -Yes

**R09-11-2
RESOLUTION APPROVING DEED OF VACATION
P & G VENTURES, LLC
3963 & 3965 SOUTH MAIN STREET**

On a motion by William Brown, seconded by Mary Biggs, and carried; IT WAS RESOLVED, by the Board of Directors of the Montgomery County Public Service Authority, that the Board of Directors hereby agrees to vacate all that portion of an existing public utility easement, the manhole and sewer lines located in the said easement at the property located at 3963 and 3965 South Main Street, in the Shawsville Magisterial District of Montgomery County shown more particularly on the attached Deed of Vacation, dated October 1, 2009 and made part of the Resolution by reference.

BE IT FURTHER RESOLVED, that the Chair of the Montgomery County Public Service Authority is hereby authorized to sign said Deed of Vacation on behalf of the Montgomery County Public Service Authority.

The vote on the foregoing motion is as follows:

John Muffo -Yes
James Politis -Yes
Annette Perkins -Yes
William Brown -Yes
Doug Marrs -Yes
Mary Biggs -Yes
Gary Creed -Yes

**RESOLUTION APPROVING AMENDMENT TO THE ROUTE 177 CORRIDOR AGREEMENT
BETWEEN THE CITY OF RADFORD, COUNTY OF MONTGOMERY AND THE
MONTGOMERY COUNTY PUBLIC SERVICE AUTHORITY, DATED MARCH 1, 1993 FOR
INCREASED SEWER CAPACITY IN THE 177 CORRIDOR**

**R09-11-3
RESOLUTION APPROVING AN AMENDMENT TO THE
ROUTE 177 CORRIDOR AGREEMENT
BETWEEN THE CITY OF RADFORD, COUNTY OF MONTGOMERY
AND THE MONTGOMERY COUNTY PUBLIC SERVICE AUTHORITY
DATED MARCH 1, 1993 FOR INCREASED
SEWER CAPACITY IN THE 177 CORRIDOR**

On a motion by Mary Biggs, seconded by James Politis, and carried; IT WAS RESOLVED, that the Public Service Authority hereby approves an amendment to the Route 177 Corridor Agreement between the City of Radford, Montgomery County and the Montgomery County Public Service Authority dated March 1, 1993, for an additional 150,000 gallons per day wastewater capacity in an amount not to exceed \$39,600 for the total 150,000 gallons purchased or in 50,000 gallons per day increments at \$13,200. A copy of said agreement is hereby attached and made part of this Resolution by reference.

BE IT FURTHER RESOLVED, that the Chair of the Montgomery County Public Service Authority is hereby authorized to sign the agreement on behalf of the Board of Directors of the Montgomery County Public Service Authority.

The vote on the foregoing motion is as follows:

AYE

NAY

ABSENT

John Muffo
James Politis
Annette Perkins
William Brown
Doug Marrs
Mary Biggs
Gary Creed

APPROVE UTILITY CROSSING AGREEMENT – ROUTE 114 NEW RIVER BRIDGE AND N&W RAILWAY BRIDGE

**R09-11-4
RESOLUTION APPROVING UTILITY CROSSING AGREEMENT
ROUTE 114 NEW RIVER BRIDGE
AND N&W RAILWAY BRIDGE**

On a motion by James Politis, seconded by Doug Marrs, and carried; IT WAS RESOLVED, that the Public Service Authority hereby approves the agreement entitled “New River Valley Planning District Route 114 New River Bridge and N&W Railway Bridge Utility Crossing Agreement”, by and between the Montgomery County Public Service Authority, the Pulaski County Public Service Authority, the Blacksburg, Christiansburg, VPI Water Authority, the Pepper’s Ferry Regional Wastewater Treatment Authority, and the New River Valley Planning District Commission, whereby the bridges will be designed to incorporate access casings and other appropriate design features to accommodate two, sixteen-inch utility casings. A copy of the Agreement is hereby attached and made part of this Resolution by reference.

BE IT FURTHER RESOLVED, that the New River Valley Planning District Commission (NRVPDC) is requested to negotiate an agreement with the Virginia Department of Transportation to incorporate these casings; and, that the total cost of the Public Service Authority’s share will be an amount not to exceed \$13,750 payable over a three-year period to the NRVPDC.

NOW THEREFORE BE IT RESOLVED, that the Chair of the Montgomery County Public Service Authority is hereby authorized to sign said agreement on behalf of the Board of Directors of the Montgomery County Public Service Authority.

The vote on the foregoing motion is as follows:

John Muffo	-Yes
James Politis	-Yes
Annette Perkins	-Yes
William Brown	-Yes
Doug Marrs	-Yes
Mary Biggs	-Yes
Gary Creed	-Yes

FINANCIAL REPORT

The Financial Report for period ending October 31, 2009 was presented for review and discussion.

DIRECTOR'S REPORT

The Director's Report included the following items:

1. Monthly Activities Report
The October 2009 report was presented for review.
2. Excessive Inflow and Infiltration (I&I) From Private Sewer Systems
Several large users such as mobile home parks discharging to the PSA sewer systems from private sewer systems are known to contribute excessive rainwater induced inflow & infiltration (I&I) into the PSA sewers. This I&I contributes to excessive hydraulic loading of the PSA sewers and can significantly increase the PSA treatment costs due to this additional flow. The amount of I&I is usually proportional to the amount and duration of rainfall.
The excessive I&I has been identified by visual inspection and flow reports from temporary sewer meters. Neither method provides accurate measurement of the additional sewer flows from the large sewer users. Accurate sewer flow metering devices for these applications are estimated to cost \$7,000 to 12,000 depending on installation conditions. Current sewer metering/billing is based upon water meter readings that exclude I&I.
Recommended Corrective Procedures:
 - a. Notify user of I&I and request correction within 30 or 60 days.
 - b. Impose surcharge based upon a multiplier (1.5 – 2.0) of the sewer billing if not corrected within allowed time. This provision may require modification of PSA and/or County Code.
 - c. Allow user to install an acceptable permanent type sewer meter for billing purposes in lieu of surcharge.
 - d. The surcharge would be removed upon completion of repairs or installation of an acceptable permanent type sewer meter.
3. Forest Hills Residential Development
The developers for this 70-unit townhome development along Pepper's Ferry Road across from the Belview Elementary School have indicated that they have received federal funding for this project. This project is to be expedited to meet the time schedule required for the federal funding with final completion in spring 2011.
4. Ellis Street Water Line Replacement
The waterline along Ellis Street was "replaced in kind" due to the recent number of breaks and observed deteriorated condition of the existing galvanized pipe. The recent breaks were repaired by replacement of damaged sections with PVC waterline. This project replaced the remaining sections of galvanized pipe to prevent expected additional breaks. The total cost of this work is projected to be comparable to that of several water break repairs.
5. Bethel (VA 177 Corridor) Sanitary Sewer Inflow and Infiltration (I&I) Repairs
PSA staff completed replacement and rehabilitation of 14 manholes in this system identified as requiring improvements in order to reduce inflow and infiltration (I&I). This system will be closely monitored to determine the effectiveness of the repairs.
6. Montgomery Farms Sanitary Sewer Inflow and Infiltration Repairs
PSA staff completed replacement and rehabilitation of 5 manholes in this system identified as requiring improvements in order to reduce inflow and infiltration (I&I). Initial estimates indicate a 25% reduction of overall flow due to these improvements.
7. Warm Hearth Sewer Pump Station Replacement Project
The contractor has continued working on this project and has completed the installation of the concrete pump station structure. This project is expected to be completed in November or December 2009.

8. Virginia Rural Water Association – EPA Groundwater Rule Seminar
On October 13, 2009, the Director and PSA Water Supervisor attended a seminar on the new EPA Groundwater rule to determine the impacts to the PSA water systems (Riner and Woodview) that are currently supplied by ground water wells.
9. Standby Policy
The PSA was unable to repair a water break along Riner Road during the evening hours of October 7, 2009 because we could not get a backhoe operator to respond. Fortunately, there were only three customers affected and staff was able to valve the waterline off overnight after coordination with the three customers. In the past, the PSA has been able to pull together a crew for the few (4 to 8 per year) after-hours emergencies encountered.
This situation made it clear that the PSA requires a backhoe operator on standby in order to be able to respond to after-hours emergencies. The operational requirements should be met with a backhoe operator and volunteers. The standby compensation will be compensatory time at a rate of 16 hours for each seven days which is comparable to other utilities in the area. A draft policy has been prepared and is currently under review.
10. CPR Training by Christiansburg Rescue Squad
The Christiansburg Rescue Squad provided very effective CPR training for all PSA employees through several classes over the last few months. The Director attended the class on October 7, 2009 along with about a third of the department's employees and was impressed with the training.
11. VACo Insurance Claims Handling Options
The Director met with representatives of VACo insurance relative to a claim filed for property damaged as a result of the July water break in Riner. VACo indicated that under our current insurance policy, they would only pay claims for property damage as a result of an act of "negligence" by the PSA. Since a water break does not involve an act of PSA negligence, any property damage claim would be denied by VACo and repairs would be the responsibility of the property owner.
The Director discussed a summary of four claims handling options submitted by VACo for consideration. VACo's insurance coverage includes legal defense for claims which could be jeopardized if the claims handling procedures are not followed. The Director presented a copy of the PSA's current coverage and associated costs.
12. Virginia Water and Wastewater Rate Report
The Director presented the "21st Annual Virginia Water and Wastewater Rate Report 2009" by Draper Aden Associates and summaries of the water and wastewater reports sorted by number of customers and residential charges for 5,000 gallons per month. The water section of the report contained 165 complete responses while the sewer section included 158 complete responses. Both sections had additional responses that were omitted as they were not complete.
In the water report, the PSA was 102 in order of number of connections at 2,627 (smallest to largest for the 165 completed responses) while 147 in order of customer charge for 5,000 gallons at \$37.80. The median customer charge for 5,000 gallons was \$24.75. The average residential water facility fee of the report is \$3,562 with a median of \$3,000 while the PSA's fee is \$2,500.
In the sewer report, the PSA was 77 in order of number of connections (smallest to largest for the 158 completed responses) at 1,356 while 122 in order of customer charge for 5,000 gallons at \$37.65. The median customer charge for 5,000 gallons was \$30.19. The average residential sewer facility fee of the report is \$5,348 with a median of \$3,957 while the PSA's fee is \$3,000.
13. Freedom of Information Act Request
A Freedom of Information Act (FOIA) request dated October 17, 2009 was received from Ronald Vaughn, 3851 Mudpike, relative to water meter accuracy testing for the installed water meter at this location. A copy of the FOIA request and reply dated October 22, 2009 was presented for review.

14. **Fire Tower Road Sewer Main Issues**
On October 8, 2009, the PSA was notified of a sewer problem along Fire Tower Road and upon investigation found what appeared to be a sewer stoppage as evidenced by sewer standing in a manhole. Per standard practice and with assistance from Radford, staff attempted unsuccessfully to clear the stoppage using a sewer jetter. In the morning of the second day, staff attempted to clear the stoppage using the PSA rodder which also was unsuccessful. During that afternoon, the PSA called in a contractor to inspect the sewer using an internal close-circuit camera which was unable to determine the cause of the stoppage, but did indicate the location. That evening, staff excavated the sewer main and discovered that it had been installed improperly "up-hill" due to limestone rock in the ditch bottom. A diagram was presented. This configuration caused the apparent stoppage due to backed-up flow.
This sewer was installed 16 years ago (1993) apparently without inspection. The PSA will now have to expend public funds to correct an intentional improper installation by the contractor. The current PSA final inspection, warranty inspection and warranty bond would discover this type of defect and require correction without the use of public funds.
15. **Elliston Elementary School**
The Director was notified that the waterline for the new Elliston Elementary School was installed on an adjoining neighbor's property. The waterline will have to be reinstalled before the PSA will take over the waterline.
16. **Water Complaint – Flick Drive**
The Director informed the Board that he had a call from Doug Flick of Flick Drive, complaining about the excessive amount of chlorine in the water and that it was causing his skin to break out. Mr. Flick requested the PSA allow him to go back on his well.
17. **Howard Linkous' Request for Water Account Transfer**
The Director summarized Mr. Linkous' brother's water account on Merrimac Road and details of why the account was so large.

The following actions were taken as a result of the Director's Report:

SETTING PRELIMINARY RATE SCHEDULE AND AUTHORIZING PUBLIC HEARING

R09-11-5 RESOLUTION SETTING PRELIMINARY RATE SCHEDULE AND AUTHORIZING PUBLIC HEARING

On a motion by Mary Biggs, seconded by Doug Marrs, and carried; IT WAS RESOLVED, that the Montgomery County Public Service Authority does hereby agree to set the following proposed preliminary schedule fixing and classifying rates, fees and charges for water and sewer service:

Inflow & Infiltration Sewer Surcharge Fee

-New Proposed Fee of 50%
Surcharge Added to Monthly
Customer Sewer Charge for Failing
to Correct Inflow & Infiltration after
Notification by the Authority

BE IT FURTHER RESOLVED, by the Montgomery County Public Service Authority, that the Public Service Authority hereby authorizes the Director to advertise a public hearing in accordance with Section 15.2-5136G of the Code of Virginia, 1950, as amended, to be held on February 1, 2010, at 7:00 p.m., in the Montgomery County Government Center, 755 Roanoke Street, Christiansburg, Virginia, 2nd Floor County Administration Conference Room, in order to receive citizen comments on the preliminary schedule fixing and classifying rates, fees and charges for water and sewer service.

The roll call vote on the foregoing motion is as follows:

John Muffo	-Yes
James Politis	-Yes
Annette Perkins	-Yes
William Brown	-Yes
Doug Marrs	-Yes
Mary Biggs	-Yes
Gary Creed	-Yes

Standby Policy

The Board concurred with the implementation of a standby policy for the maintenance crew Backhoe Operator, Crew Leader, and Maintenance Manger, at a compensation rate of 16 hours compensatory time for a seven-day period.

CPR Training by Christiansburg Rescue Squad

The Board requested the Director to draft a letter thanking the Christiansburg Rescue Squad for the CPR Training for the Chair's signature.

VACo Insurance Claims Handling Options

The Board requested the Director to contact VACo and have a representative attend the next Board meeting to discuss claims handling options and to turn the claim for the July water break over to Angie, Finance Director, to see if she can have anything done with it.

Water Complaint – Flick Drive

In order for the PSA to determine if Mr. Flick should be allowed to use his well, the Board asked the Director to obtain the following:

- a. Request in writing from Mr. Flick, explaining the problem.
- b. Doctor's verification that there is a problem.
- c. Bacteriological testing of well.
- d. Payment of minimum monthly service fee to keep connection.
- e. PSA to conduct a cross-connection inspection.

Howard Linkous' Request for Water Account Transfer

The Board instructed the Director to contact Mr. Linkous and ask him to pay the balance owed on his brother's account. When future payments are made by his brother, the PSA will apply the amount as a credit to his account.

AUTHORITY MEMBERS' REPORT

There were no reports from Authority members.

ADJOURNMENT

On a motion by James Politis, seconded by Doug Marrs, and carried; IT WAS RESOLVED, that the Public Service Authority does hereby adjourn to the next meeting scheduled for Monday, December 7, 2009.